

# ENERGY STAR Appliances: Program Design

Linda Latham D&R International September 30, 2005

## Some Themes from Yesterday



- Regular criteria updates are needed to ensure continued relevance
- Everyone wants more "bang for the buck"
- Rebates still a useful tool, but it may be time to start weaning consumers (rebate addiction)
  - Considering upstream
  - Concentrating on higher "tiers" of efficiency
- Keep it simple: Fewer Bigger Better
- Marketing needed as rebates phase out
- Coordination requires discussion & time

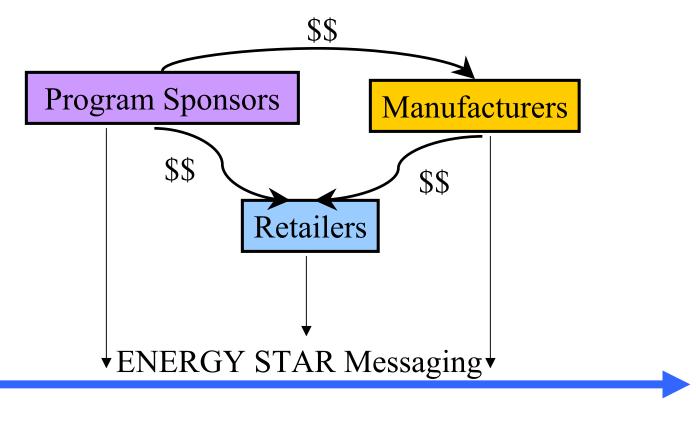
#### Purpose of this Session



- Identify new program approaches that:
  - Target significant savings opportunities
  - Capture the savings cost-effectively
  - Contribute to greater consumer understanding
  - Stimulate cost-sharing among multiple partners
  - Provide value to all Partner types
  - Can be tracked and quantified

# Keep it Simple for Consumers





Consumers

# Agenda



- Outline two unique program approaches
  - WECC (cost-shared incentives)
  - NYSERDA (cost-shared marketing)
- Audience discussion

#### Choosing Priorities for 2006



- What products are of greatest interest?
  - Clothes washers: 2007 level models
  - Refrigerators: Retire pre-1993 refrigerators, recycling, replacement models
  - **Dishwashers:** Education, increased saturation
  - Room AC: Incentives, recycling, outreach

What are you willing to spend money on?

# Timing



- What is interest in working on promotions year round?
- What is interest in continuing some type of seasonal appliance campaign?
  - General umbrella
  - Specific call to action

## Efficiency Levels



- Are all Partners interested in focusing promotional dollars on the higher-efficiency "tier" of products?
- If so, for which products is this the most important?
- How does the manufacturer tax credit affect this approach for 2006 and 2007?
- Would some basic outreach/support still be provided for all ENERGY STAR qualified products?

# Who Gets the Money



- Is it time to start shifting appliance incentive \$
  upstream to manufacturers or retailers?
  - Consumer Incentives: Mail-in rebate, instant rebate, free delivery/recycling, free gift card, reduced financing rate, free detergent or other item
  - Marketing: Ads, displays, events, signage, training, contests, education
- How should EEPS structure cost-sharing programs to encourage manufacturer or retailer participation?
  - Flexibility to select models, timing, method
  - Simple selection and approval process
  - Other?

#### How to Award the Funds



- Competitive solicitation, RFP
- Open solicitation / Program announcement
  - Eligibility rules
  - Budget caps
  - First-come first-served
- Ad hoc negotiation / reactive

#### How to Track Results



- With upstream approach, how can EEPS quantify impacts?
  - Sales data
  - Rebate redemption
  - Market share
  - Other?
- Who has the necessary data?

## **Fostering Coordination**



- What can DOE do to help Partners?
  - Appliance Collaborative group
  - E-mail list serve to share opportunities
  - Web site to post opportunities, announcements
  - Other?